

Consolidated Statements of Cash Flows

Years ended March 31, 2008 and 2007 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2008	2007	2008
Cash flows from operating activities:			
Income before income taxes and minority interests	¥23,888	¥ 41,383	\$238,880
Depreciation (including software).....	33,959	31,613	339,590
Loss (Gain) on disposal and sales of property, plant and equipment	(2,270)	751	(22,700)
Loss (Gain) on devaluation and sales of investment securities	576	(1,102)	5,760
Gain on sales of consolidated subsidiaries and affiliates.....	—	(231)	—
Government grants.....	(540)	(360)	(5,400)
Decrease in liabilities for the employees' severance and retirement benefits	(772)	(411)	(7,720)
Increase in retirement benefits for directors and corporate auditors.....	71	600	710
Interest and dividends income.....	(2,882)	(2,713)	(28,820)
Interest expense.....	1,380	1,607	13,800
Foreign exchange loss (gain)	619	(1,158)	6,190
Equity in gains of affiliates	(79)	(135)	(790)
Loss on transfer of business (Note 16).....	7,922	—	79,220
Changes in assets and liabilities:			
Decrease (Increase) in notes and accounts receivable	22,988	(21,208)	229,880
Decrease (Increase) in inventories.....	8,150	(7,652)	81,500
Decrease (Increase) in other current assets	3,710	(3,756)	37,100
Increase (Decrease) in notes and accounts payable.....	(4,531)	10,076	(45,310)
Increase in consumption tax payable.....	1,076	7	10,760
Increase (Decrease) in other current liabilities	(7,886)	4,410	(78,860)
Increase (Decrease) in trade notes and export drafts discounted.....	474	(559)	4,740
Payments of bonuses to directors and corporate auditors.....	—	(208)	—
Other.....	(1,308)	(1,898)	(13,080)
Total.....	84,545	49,056	845,450
Interest and dividends received	3,007	2,737	30,070
Interest paid	(1,559)	(1,636)	(15,590)
Income taxes paid.....	(14,244)	(14,208)	(142,440)
Net cash provided by operating activities	71,749	35,949	717,490
Cash flows from investing activities:			
Deposits in time deposits	(1,282)	(1,135)	(12,820)
Withdrawals from time deposits	1,232	1,132	12,320
Payments for acquisitions of tangible fixed assets.....	(22,538)	(16,865)	(225,380)
Proceeds from sales of tangible fixed assets	6,539	595	65,390
Payments for acquisitions of intangible fixed assets.....	(15,521)	(17,942)	(155,210)
Payments for purchases of investment securities	(7,086)	(9,039)	(70,860)
Proceeds from sales and redemption of investment securities.....	4,132	4,717	41,320
Payments for acquisitions of consolidated subsidiaries and affiliates	(1,900)	—	(19,000)
Proceeds from sales of consolidated subsidiaries and affiliates.....	—	319	—
Payments for long-term loans receivable	(25)	(45)	(250)
Collections from long-term loans receivable.....	60	30	600
Net decrease (increase) in loans receivable	(1)	1	(10)
Other.....	288	553	2,880
Net cash used in investing activities	(36,102)	(37,679)	(361,020)
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings.....	(4,150)	4,285	(41,500)
Proceeds from long-term debt	8,000	—	80,000
Payments for long-term debt	(30,000)	(20,747)	(300,000)
Redemption of bonds	(10,000)	—	(100,000)
Payments for acquisitions of treasury stock	(25)	(6,557)	(250)
Proceeds from sales of treasury stock.....	59	338	590
Payments for cash dividends	(6,346)	(5,319)	(63,460)
Proceeds from minority shareholders	600	—	6,000
Other.....	(623)	(713)	(6,230)
Net cash used in financing activities.....	(42,485)	(28,713)	(424,850)
Effect of exchange rate changes on cash and cash equivalents	(2,444)	2,450	(24,440)
Net decrease in cash and cash equivalents.....	(9,282)	(27,993)	(92,820)
Cash and cash equivalents at beginning of year (Note 3).....	97,239	125,232	972,390
Cash and cash equivalents at end of year (Note 3).....	¥87,957	¥ 97,239	\$879,570

See accompanying notes.